

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 7176

Petition of Green Mountain Power Corporation)
for approval of an alternative-regulation plan)

Order entered: 3/26/2007

ORDER RE: MOTION TO AMEND ALTERNATIVE REGULATION PLAN

On January 23, 2007, Green Mountain Power Corporation ("GMP" or the "Company") filed a request, in which the Vermont Department of Public Service ("Department") joined, for modification of GMP's Alternative Regulation Plan ("Plan"). The proposed modification provides that, for three years, "GMP will offer a 10% discount on monthly energy charges to low-income customers meeting the Power Partners eligibility criteria and participating in the Pilot Program approved in Docket 7213." In this Order, based upon our decision today in Docket 7213 that we cannot approve the Pilot Program, the Vermont Public Service Board ("Board") denies GMP's modification request.

Discussion

In Docket 7213, GMP entered into a Settlement Agreement with AARP to offer the Pilot Program to low-income customers. Under the Pilot Program, GMP would offer the 10 percent rate discount to participating low-income customers. In addition, participating customers would be treated the same as elderly customers for purposes of disconnection; under the Board's rules, these customers could not be disconnected during the winter if temperatures were anticipated to fall below 32 degrees within the subsequent 48 hours. All low-income customers with incomes at or below 200 percent of the federal poverty guidelines are eligible to participate in the program. However, the program has a limited amount of funding (approximately \$330,000 annually), so participating customers would be selected on a first-come, first-served basis.

GMP proposed to modify the Plan, which the Board approved on December 22, 2006, for effect February 1, 2007, to allow the Company to offer this Pilot Program. GMP represents that the Conservation Law Foundation, the only party to Dockets 7175/7176 that is not a party to Docket 7213, does not oppose the requested modification. GMP and the Department also assert that no proceedings, other than those necessary for review of the AARP Settlement in Docket 7213, are necessary.

By separate Order issued today, we rule that the Pilot Program unfairly discriminates against similarly situated customers and thus cannot be approved in its present form.¹ Because GMP's proposed modification of the Plan is directly linked to approval of the Pilot Program, we cannot now approve it. Accordingly, we deny the GMP's and the Department's request to modify the Plan.

As we stated in our Docket 7213 Order, the Board would be very receptive to the development of a low-income pilot program that does not unfairly discriminate between similar customers and we encourage AARP and GMP to work together on such a program. If those parties file a revised program that we find acceptable, modification of the Plan to enable such a program (through alteration of the otherwise applicable regulatory requirements pursuant to 30 V.S.A. § 218d(d)) would seem to be appropriate.

So ORDERED.

1. Docket 7213, Order of 3/26/07 at 42-45.

Dated at Montpelier, Vermont, this 26th day of March, 2007.

<u>s/James Volz</u>)	
)	PUBLIC SERVICE
)	
<u>s/David C. Coen</u>)	BOARD
)	
)	OF VERMONT
<u>s/John D. Burke</u>)	

OFFICE OF THE CLERK

FILED: March 26, 2007

ATTEST: s/Judith C. Whitney
Deputy Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: psb.clerk@state.vt.us)

Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Board within thirty days. Appeal will not stay the effect of this Order, absent further Order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and order.